

## Message Text

LIMITED OFFICIAL USE

PAGE 01 PARIS 22295 291751Z

11

ACTION EB-07

INFO OCT-01 AF-06 EUR-12 ISO-00 SP-02 AID-05 NSC-05

CIEP-01 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00

COME-00 FRB-03 INR-07 NSAE-00 USIA-06 XMB-02 OPIC-03

LAB-04 SIL-01 DODE-00 PA-01 PRS-01 IO-10 ARA-06 EA-07

NEA-10 /121 W

----- 014127

R 291736Z AUG 75

FM AMEMBASSY PARIS

TO SECSTATE WASHDC 2644

INFO USMISSION USUN

AMEMBASSY YAOUNDE

AMEMBASSY BANGUI

AMEMBASSY ABIDJAN

AMEMBASSY COTONOU

AMEMBASSY LIBREVILLE

AMEMBASSY OUAGADOUGOU

AMEMBASSY BAMAKO

AMEMBASSY NIAMEY

AMEMBASSY NDJAMENA

AMEMBASSY LOME

AMEMBASSY CONAKRY

AMEMBASSY KINSHASA

AMEMBASSY PORT LOUIS

AMEMBASSY KIGALI

AMEMBASSY BUJUMBURA

AMEMBASSY NOUAKCHOTT

AMEMBASSY TANANARIVE

AMEMBASSY ADDIS ABABA

LIMITED OFFICIAL USE PARIS 22295

E.O. 11652: N/A

TAGS: EFIN, EAID, IMF, IBRD, UN, XA, FR

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 PARIS 22295 291751Z

SUBJECT: MEETING OF FRANC AREA FINANCE MINISTERS

FINANCE MINISTERS OF COUNTRIES OF FRANC AREA MET IN PARIS ON JULY 27 AND 28 FOR TRADITIONAL CAUCUS PRIOR TO FUND-BANK MEETING. RESULTS WERE ANNOUNCED BY FRENCH FINANCE MINISTER FOURCADE, AND INCLUDE THE FOLLOWING:

1. SOLIDARITY FUND. AGREEMENT WAS ANNOUNCED ON A SOLIDARITY FUND, AS PROPOSED BY GOF AT BANGUI FRANCO-PHONE SUMMIT LAST MARCH. FUND WOULD PROVIDE INTEREST SUBSIDIES AND GUARANTEE FACILITIES TO PERMIT MEMBERS TO BORROW FROM PRIVATE CAPITAL MARKETS AND HIGHER-INTEREST INTERNATIONAL FACILITIES; IT WOULD NOT PROVIDE PROJECT ASSISTANCE. FOURCADE STRESSED THAT FUND WAS OPEN TO ALL FRANCOPHONE STATES (WHEN ASKED IF THIS "COULD INCLUDE VIETNAM," HE REPLIED CASUALLY "WHY NOT?") IN FACT, FINANCE MINISTRY SOURCES EXPECT THAT POSSIBLE NON-FRANC AREA MEMBERS WOULD NOT GO BEYOND BLACK AFRICAN STATES REPRESENTED AT BANGUI MEETING, PLUS GUINEA A GROUP ALREADY DIFFICULT TO BRING TOGETHER. MINISTRY SOURCE ALSO NOTES THAT OTHER THAN AGREEMENT ON 50-50 BREAKDOWN OF CONTRIBUTIONS BETWEEN FRANCE AND OTHER MEMBERS, NO DETAILS HAVE YET BEEN WORKED OUT. AN EXPERTS COMMITTEE WILL BE APPOINTED, WITH MUCH WORK TO DO. FINAL APPROVAL BY THE NEXT FRANCOPHONE SUMMIT WILL BE REQUIRED. IMPLEMENTATION CANNOT BE EXPECTED BEFORE L976.

2. IMF GOLD. IN ITEM OVERLOOKED BY MOST OF PRESS, FOURCADE ALSO GAVE FIRST INDICATION OF USES WHICH GOF THOUGHT COULD BE MADE OF ONE-SIXTH OF IMF GOLD STOCK PROPOSED TO BE EARMARKED FOR DEVELOPING COUNTRIES. PART OF THIS, HE SAID, COULD BE USED TO SUPPORT IBRD THIRD WINDOW. GREATEST SHARE, HOWEVER, SHOULD BE USED TO FINANCE BUFFER STOCKS (STOCKS REGULATEURS) OF MAJOR WORLD COMMODITIES. FRANCE WILL ALSO RAISE THIS IDEA AT U.N. IN SEPTEMBER.

3. MONETARY POLICY. FRANC AREA COUNTRIES SUPPORT FRENCH ADVOCACY OF A RETURN TO FIXED EXCHANGE RATES. ARGUMENT WAS MADE THAT TRADE BALANCES OF THESE PRIMARY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 PARIS 22295 291751Z

PRODUCING COUNTRIES HAVE BEEN ADVERSELY AFFECTED BY FLOATING RATES.

COMMENT: IT SEEMS CLEAR THAT GOF HAS USED CONFERENCE AS MEANS OF ENHANCING ITS IMAGE OF CHAMPION AND MAJOR GO-BETWEEN FOR THIRD-WORLD RELATIONS WITH DEVELOPING COUNTRIES, AS WELL AS EFFORT TO GAIN THIRD-WORLD SUPPORT FOR ITS MONETARY POLICIES AT IMF AND IN OTHER

FORUMS.  
GAMMON

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FINANCE, INTEREST RATES, MEETINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 29 AUG 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** RowellE0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975PARIS22295  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750300-1022  
**From:** PARIS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t1975085/aaaaadul.tel  
**Line Count:** 117  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** RowellE0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 MAY 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <21 MAY 2003 by ShawDG>; APPROVED <08 OCT 2003 by RowellE0>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MEETING OF FRANC AREA FINANCE MINISTERS FINANCE MINISTERS OF COUNTRIES OF FRANC AREA MET IN  
**TAGS:** EFIN, EAID, XA, FR, IMF, IBRD, UN, (FOURCADE)  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006